These materials are distributed by Squire Patton Boggs LLP on behalf of its foreign principal the Government of Angola. Additional information is on file with the FARA Registration Unit of the Department of Justice, Washington, DC.

From: Street, Caren B. < caren.street@squirepb.com> Sent: Tuesday, September 7, 2021 10:00 AM To: Cook, Nicolas < NCOOK@crs.loc.gov>

Subject: RE: Angola visit?

Hi, Nic-

Apologies for the delay in my response.

The Angolan government is in the midst of a comprehensive reform agenda build on (1) economic reform and modernization, (2) recovery from current and historic crises, and (3) improved governance and democratic accountability. The attached cataloging paper is a rough accounting of the various reforms underway. Additionally, you can find the latest IMF report on Angola here, which provides far greater detail and analysis of the reform efforts.

I've also attached the following:

- 1. The President's remarks to the PAC-DBIA roundtable in December 2020
- 2. The President's answers to the broad range of Qs he received during the PAC-DBIA roundtable
- 3. Prepared Testimony of Tulinabo Mushingi, Nominee to be US Ambassador to Angola
- 4. AIPEX Invest in Angola presentation

I hope this information is helpful. My colleague Robert Kapla has worked with the Angolan government for several years now and would be happy to meet with you for a deeper dive if that's helpful.

Thanks!

Caren

From: Cook, Nicolas < NCOOK@crs.loc.gov> Sent: Tuesday, August 31, 2021 6:28 PM

To: Street, Caren B. < caren.street@squirepb.com>

Subject: [EXT] Angola visit?

Hi Caren: I understand you've been helping to set up Hill meetings for a planned visit by Pres. Lourenço.

Q: Do you have any paper on this that you could share—any background from the Angolan govt POV, say, and especially any top issues they are seeking to discuss, or goals that they seek to achieve as a result of such engagement—essentially their bilateral issues agenda?

Thank you, Nic

Nicolas Cook African Affairs Congressional Research Service Washington DC

Best option during COVID-19 period: Cell 202-734-2034 Landline Tel. (202) 707-0429 Email: ncook@crs.loc.gov

This information is intended only for the congressional addressee or other individual to whom it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of this information is only at the discretion of the intended recipient. If you received this in error, please contact the sender and delete the material from any computer.

Address by His Excellency João Lourenço, President of the Republic of Angola before the US President's Advisory

Council on business in Africa

("Doing Business in Africa")

December 18, 2020, PAC-DBIA

I am grateful for the opportunity that this meeting offers me and I hope that this will be the beginning of a permanent dialogue between my Government and the American companies that you hereby represent.

My Government has been taking measures in order to attract more business and investment from the United States of America, highlighting the relationship with the US business Community, from which we expect important investments to help boost Angola's economy and development.

The histories of Angola and America have been interconnected since the first African slaves arrived in North America, more specifically in Jamestown Virginia, coming from Angola.

Today, we live in a decidedly different moment in the shared history between Angola and the United States of America, and we are aware that we have an important role in the context of African nations, aimed at contributing to the growth of the global economy.

While taking into account the fact that our two countries have to face the limitations that result from the Covid-19 pandemic that has affected the whole world, we believe that we can chart a common pathway to build a solid partnership with America.

We have been making a huge effort in Angola to transform our economy with a view to encouraging private investment and free enterprise, at the same time reinforcing our commitment towards democracy, transparency, fight against corruption and human rights promotion.

The implementation of these reforms has not been easy, but they are necessary and vital for the future of the Angolan people. As we carry them out, we are establishing strategic partnerships with various nations of the world, with growing interest from the United States of America.

Therefore, I am pleased to note that there is an increasingly dynamic exchange between our countries, recognizing that the current level of relations has proved to be exemplary, with regard to the way in which the United States of America has been working to help Angola overcome many of its problems.

I would like to highlight the assistance the US has rendered to Angola, as the first individual donor of landmine detection and removal equipment deployed in the national territory, with the year 2025 as horizon.

I also would like to mention the important collaboration that we have received from the US Center for Disease Control ("CDC"), which has provided us with technical assistance in combating HIV-AIDS, malaria and Covid-19.

Also worthy of mention is the role the Treasury Department has been playing, by providing our country with specialized assistance in the area of artificial intelligence and anti-money laundering ("AML").

In the continuation of these actions, I wish to emphasize the fact that the Angolan Central Bank, in cooperation with the IMF, the US Federal Reserve and the US Treasury Department, has been dedicating a considerable effort in order to ensuring a positive assessment by the *Financial Action Task Force* in 2021.

The objective is to remove a significant obstacle on the road of direct investment from the United States, to allow the reestablishment of correspondent banking relationships, resumption of US dollar circulation and removal of restrictions on the repatriation of investment dividends.

I must tell you that a process of profound changes has been taking place in Angola *vis-à-vis* the reality that the country has experienced in the last four decades and today, there is a new vision with the definition of other priorities in terms of development, among which I would highlight the sector of agriculture, technology and higher education, transportation and infrastructure, health, pharmaceutical industry, banking and insurance, and many more that may be of interest to you.

The interest to invest in almost exclusively in hydrocarbons should be corrected, taking into account the enormous potential that the Angolan economy offers.

I would like to emphasize the convergence of views between the Government of Angola and the future US administration, regarding the anti-corruption issue, considered by the President-elect, a national security issue.

It is in this spirit that we are conducting in Angola, a process of rectifying bad practices in public affairs governance and management, with the support of important institutions in friendly countries, of which I would underscore that of the US Treasury

Department, which has been providing technical assistance to our Financial Intelligence Unit.

In order to make this fight more consistent, we have adjusted our Criminal Code to international standards, which is expected to enter into force in the first quarter of 2021 and I would take the opportunity to also announce that our anti-money laundering law is already in force.

We have taken a set of measures to bring Angola in line with globally established good practices, and in this context, I would like to highlight a step taken by the Angolan Executive earlier this year, towards joining the Extractive Industries Transparency Initiative.

The attention that we have been paying to the issues of the environment is also part of this same framework, by defining policies that allow us to set the pace with the main concerns in this matter, as identified worldwide.

For this reason, among other initiatives, I am pleased to mention a solar energy project, which is being implemented in partnership with the US Company named Sun Africa. This is a good example of what it is possible for American companies to do in Angola, where there is no constraint on conducting successful business with the support of financial institutions, as is the case with the US EximBank.

I know that Pfizer is present in the group of companies that make up this Council, whose representative will serve as the moderator of our dialogue and, therefore, I would like to seize this occasion to express my appreciation for the good results that have been achieved in producing a vaccine, which represent a crucial advancement in the fight against Covid-19.

I want to emphasize that the effort to boost our economy is based on a model that attaches greater importance to the private sector.

In order to achieve this goal, we have decided to launch an ambitious privatization plan involving around 200 public companies, among which I would single out Sonangol, Endiama and Sodiam, the state-owned diamond company, and TAAG, the national air carrier.

It is our desire that relations between Angola and the United States of America may be deepened so that the foundation is laid, and within the framework of this gigantic reform effort we are undertaking, American companies can play an active role in the reconstruction and modernizing the national economy, supporting development and social progress.

I have the expectation that after this meeting, your companies and others in the United States of America will not hesitate to seek out the Angolan market to conduct their business, as I believe that this will result in significant benefits for both sides.

I would like to take this opportunity to invite the members of the board of the Advisory Council of the American President, to pay a visit to Angola, where they will be able to see on the ground the potential of the country and its openness to the US direct investment.

I thank you in advance for the opportunity afforded to me for to engage with such eminent figures in American politics and business.

Thank you for your attention.

Responses to Questions Asked of Angolan President João Lourenço during the December 18, 2020 Virtual Roundtable with the President's Advisory Council on Doing Business in Africa ("PAC-DBIA")

This document contains the English translation of President João Lourenço's responses to questions asked during the December 2020 virtual roundtable with the PAC-DBIA. The questions have been divided up into the following topics: (1) healthcare; (2) infrastructure and the digital economy; (3) economic reforms and improving the business environment; (4) women business owners; (5) investment opportunities; and (6) trade and regional integration.

I. HEALTHCARE

Mr. Farid Fezoua, President and Managing Director of GE Africa: What are the key features of Angola's plan for developing the healthcare sector and capabilities, specifically as part of the immediate COVID-19 pandemic response and also building up sustainable infrastructure and capacity going forward? And how can U.S. healthcare companies help you do that?

Angola's National Development Plan 2018-2022 defines four key health policy programmes:

- 1. Improvement of medical and medicinal assistance;
- 2. Improvement of maternal and child health and nutrition;
- 3. Combating major endemic diseases through the health determinants approach; and
- 4. Strengthening the health information system and developing health research.

Regarding the COVID-19 pandemic, the Angolan government has created a multi-sector commission led at the highest level by me and from an operational perspective by the Minister of State and Head of the intelligence bureau of the Angolan Presidency (Casa de Segurança). A National Contingency Plan has been prepared, the following actions of which we can highlight:

- Five field hospitals have been built, and five are under construction, one of which was offered by the United States;
- Isolation areas have been created in our health facilities and units for the specific treatment of COVID-19 have also been adapted in all provinces;
- The capacity of hospital units to diagnose, admit, and treat COVID-19 cases has been increased;
- Laboratory capacity to confirm and test COVID-19 cases has been strengthened with the
 acquisition of five molecular biology and serology laboratories. Through this we have increased
 our daily testing to 18,000;
- The number of new beds has increased by more than 5,000, as a result of the rehabilitation and expansion of various sanitary infrastructures, in particular the expansion of the emergency care

Page 1 of 10

ward of the Luanda Paediatric Hospital, as well as COVID-19 quarantine and treatment areas in the Special Economic Zone, in Barra do Cuanza, in Calumbo 1 and 2, and in all provinces, in response to improved health services.

Regarding the aid that American companies can give, it is important to mention that there is a very old commercial relationship with American companies, in particular with GE. There is a lot of health equipment from American brands, especially the equipment from the companies with a presence here, GE and Varian, among others. In the past we had problems in the assembly and maintenance of this equipment, largely because of some weakness of the counterparts that represented these brands in Angola. However, this problem has already been overcome. For example, in the case of GE, we are installing a lot of equipment that was bought in the past and did not have the desired assistance.

The health sector in Angola needs the participation of American companies specialised in all aspects. With GE, we want to strengthen the business relationship, including, for example, in imaging equipment. We also want GE to promote and support investments in primary healthcare projects with reference to the type of projects carried out in other African countries such as Ghana and Kenya.

Ms. Susan Silbermann, Global President, Emerging Markets of Pfizer: What positive lessons or new ways of doing things in the healthcare sector have come as a result of COVID-19 in Angola?

The Angolan government congratulates the entire Pfizer development team that made it possible in a very short time to formulate an effective vaccine against the COVID-19 virus. This is a very important achievement for everyone, especially for the recovery of the world economy and the safeguarding of human life. We express our interest in benefiting from cooperation with Pfizer and are open to receive investments in the production of medicines in Angola.

Mr. Chris Toth, President and Chief Operating Officer of Varian Medical Systems: As we think about the many facets of the Varian-Angola partnership, how do you think companies like ours can best work with you and your administration to achieve our shared goals?

Regarding the question from Varian, financing proposals are assessed by the Ministry of Finance, which always seeks to safeguard the sustainability of public debt and the conditions under which debt repayments can be made, so they can be negotiated on a case-by-case basis. In this sense we have favoured financing on concessional terms, i.e. with low interest rates and long maturity periods.

Varian Medical Systems is already a healthcare partner with whom we are developing a business relationship, mainly through our Angolan Cancer Control Institute (IACC). With this partner we intend to develop further initiatives in the area of early diagnosis of cancer diseases. We will be very interested to receive your proposals for expansion packages in the field of cancer diagnosis.

II. INFRASTRUCTURE AND THE DIGITAL ECONOMY

<u>Lord James Dutton, President for Africa of Bechtel Corporation</u>: My question concerns infrastructure, procurement, and delivery models. Particularly the financing of big infrastructure development, especially post pandemic, which as you know means financing will be much more constrained.

Angola has set up the National Electronic Public Procurement System in order to provide greater

Page 2 of 10

transparency and quality to public contracts. This system has enabled around 69 percent of all public investment projects to be qualified through public tenders by the first half of 2020.

Within the framework of the implementation of the Development Plan, 218 budget units will use the National Electronic Public Procurement System by 2022, with a view to the sustainability of public finances. The assistance of specialised U.S. companies will be an opportunity to accelerate the agenda for the digitisation of public procurement procedures, which will increase the transparency of these procedures.

Ms. Ruth Dowling, Senior Vice President and General Counsel for Latin America, Europe, Middle East and Africa of American Tower Corporation: What steps is your government taking to improve the mobile penetration rate and reduce the urban/rural digital divide in the country?

Angola has a national fibre-optic network of over 20,000 kilometres and has a connection with 3 undersea cables, namely SAT 3, WACS and SACS, connecting Luanda to Fortaleza, Brazil, and MONET, which connects Fortaleza to Miami in the United States, operated by Angola Telecom and Angola Cable, respectively.

With the completion of the process for the entry of the new telecommunications operator with a global licence, Angola will have 3 operators for mobile telephony operations, ensuring greater availability and coverage of services.

Ms. Aida Diarra, Vice President and Head of Sub-Saharan Africa of Visa: What is Angola's priority regarding technology and the digital economy? What opportunities do companies have to engage with the government and share best practices that we see globally?

On this subject, I would like to highlight the following:

- 1. Approval of a new Payment Systems Act incorporating new payment instruments;
- 2. Creation of an innovation system for payment systems;
- 3. Creation of rules on mobile and instant payments, harmonising with the SADC (Southern Africa Development Community) for cross-border payment;
- 4. Payments by QR code should be available during the first half of 2021;
- 5. Entity certification for operating the mobile payments device;
- 6. Allocation of 2 licences for the provision of mobile payment services;
- 7. Level of banking services usage estimated at 50% of adult population (survey prepared by the World Bank);
- 8. Market open to the private sector without restrictions on the origin of capital.

Also in the space segment, we are building an ANGOSAT telecommunications satellite which will have HTS technology.

Page 3 of 10

The business opportunities lie mainly in the operation of infrastructure, virtual mobile services, pay TV, and the provision of internet services.

Mr Takreem El-Tohamy, Managing Director of the Middle East and Africa of IBM: Can you please comment on Angola's 5G plan?

Technological developments have led to advances in a wide variety of sectors. Communications accelerate economic and social development as well as the social way of life.

5G is the fifth generation of mobile internet or the fifth-generation wireless system, which will be crucial for everyday areas, but also to leverage other technological advances, such as in automation and telecommunications engineering.

Considering the potential for transformation that can be seen, the Angolan Executive Branch will develop programmes to monitor, train and adopt the 5G generation in order to position the country in the new technological generation that aims to revolutionise the information and knowledge society.

In its Frequency Plan, the Electronic Communications Regulatory Authority has redefined the conditions for the country to be ready to allocate licences for 5G operation as soon as requested by operators.

III. ECONOMIC REFORM AND IMPROVING THE BUSINESS ENVIRONMENT

Mr. Peter Sullivan, Head of Africa, Public Sector Group of Citi: What are Angola's plans and measures for improving the business environment, specifically related to FX and rule of law? How could the U.S. government help support the implementation of these actions by the Government of Angola?

Angola has adopted a floating exchange rate regime in which the exchange rate is now dictated by the market. Furthermore, the financial and capital account has been opened, no longer requiring any prior authorisation from the Central Bank for the entry or exit of funds from non-resident investors.

These developments have made it possible to meet foreign currency needs across the board in a timely manner, including for the repatriation of profits or dividends. At this time, according to BNA (National Bank of Angola) data, there are no pending cases of investors wishing to repatriate gains generated in Angola due to difficulties in accessing the foreign exchange market.

The normal and efficient functioning of the foreign exchange market is fundamental to improving the business environment, and we expect that the progress already made will give investors greater interest in investing their capital in Angola.

In short, we can highlight the following:

- 1. Full adoption of FATF recommendations on preventing and combating money laundering;
- 2. Strengthening the monitoring and supervision capacity of the BNA;

Page 4 of 10

- 3. Effective implementation of the Basel recommendations on banking supervision;
- 4. Elimination of foreign exchange licensing, including foreign direct investment;
- 5. Market-determined exchange rate implementation;
- 6. Increase in the supply of foreign exchange directly to the market without interference from the BNA;
- 7. Adoption of Bloomberg electronic platform for foreign currency trading.

Mr. Jason P.H. Brantley, Director of Sales and Marketing, Agriculture and Turf Division, Africa and Asia of the John Deere Company: How does the government approach equipment tenders to ensure the best value over the life of the project is rewarded as opposed to selecting the lowest initial price? And can you generally comment on how the economic reforms are proceeding with respect to developing the agricultural sector?

In terms of agriculture, Angola is one of the countries in the world with the most potential. It has more than 50 million hectares of arable land and less than 15 percent of such land is cultivated. In the coming decades, we will have to double the area under cultivation.

Agriculture and livestock are therefore an area that we must explore. It is still very underdeveloped, as is the entire agribusiness sector. The contribution of U.S. investors is therefore welcome in this particular area, whether in the private operation of large agricultural units (through ongoing privatisations or new farms); or by participating in the entire agribusiness chain associated with it, particularly inputs (fertilisers, seeds, pesticides, mechanisation) and downstream in the consolidation of the distribution and growth of agro-industry.

We want to attract investors with competitive productive capacity and grant a concession for or privatise large public agricultural units that are currently idle or have productivity levels below their potential.

We will also attract foreign direct investment to new farms and improve the availability and sustainability of water in the short and medium term, in particular that associated with hydro-agricultural plants.

SOAL's project to transform corn into ethanol, which was planned to be carried out in 2008, did not materialise, certainly due to the enormous demand for corn for human consumption and for feed production, which is much more attractive than transformation into ethanol.

The market for the sale of equipment and machinery for use in agriculture is totally free, promoting healthy competitors among its agents who must ensure value propositions for their customers. Many American brands are present, but their presence needs to be reinforced and investors are invited to increase their presence and new investors to enter the market.

This year an investor for the United Arab Emirates installed the first assembly line of Massey Ferguson agricultural tractors in the Special Economic Zone in Luanda. Therefore, Angola has space for investments in assembly lines for tractors, cultivators, various implements and other equipment with the American brand.

Page 5 of 10

Mr. Jake Cusack, Founder and Managing Partner of the CrossBoundary Group: What is the role of renewable energies in rural electrification in Angola, as well as in the export diversification strategy? What incentives exist or are being contemplated to crowd in private sector investment?

Renewable energies play an important role, given the country's geographical extent, with very significant renewable resources, namely solar, wind, biomass and hydro, since they can be implemented in a decentralised manner, thus facilitating the process of electricity supply in areas with dispersed and low-density populations, being possible to set up the phased implementation of renewable technology systems.

In the energy matrix, hydro generation represents about 60 percent. The production of electricity from solar-photovoltaic systems is growing.

To identify the different energy sources, the sector has developed the Renewable Energy Atlas, which determines the potential of each of the available sources by geographical region.

With the ongoing electrification of rural areas, incentives are being created for the development of agroindustry which will enable the processing of products and diversification of the economy.

In order to attract private investment, with the support of international institutions (World Bank, African Development Bank, French Development Agency, among others), a study is being carried out to define the specific conditions, including regulations, the tariff system, etc., for attracting investors as independent producers.

Mr. Sami Mainich, Chairman of the Dow Africa Advisory Committee and Regional Managing Director for North Africa and the Eastern Mediterranean (Levant) of The Dow Chemical Company: How does Angola's economic agenda intend to foster trade partnerships in the areas of the circular economy and sustainability?

When studying the production of solid waste, with a view to recovery as part of the preparation of a strategy to promote the circular economy, we estimate that 6.4 million tonnes of solid waste are produced per year in Angola. The study by the Ministry of Economy and Planning estimates that 3.2 million tonnes, or half of the tonnage produced, comes from cities and can potentially be recovered. Luanda, the capital, is at the top of that potential as the largest producer of urban waste, with 2.5 million tonnes per year. Forty-five per cent of this production has potential for re-use as a raw material for industry, 35 percent has potential for re-use as fertiliser, and the remaining 20 percent could be used in energy production. This represents about 30 MW, generated by an incinerator, or through the biogas plant, which can generate 10 MW per year.

Total re-use is estimated at \$550 million per year. The same is true in the fact that by not reusing its waste Angola foregoes the possibility of earning around \$550 million per year.

Thus there is an enormous opportunity to promote investments to develop the recovery of urban waste. As such, we will launch an international tender to identify a private public partnership to transform the current landfill in Luanda, in the Mulenvos area, into a waste recovery centre. The documents for the launch of the tender are ready and in the process of being published.

Page 6 of 10

IV. WOMEN BUSINESS OWNERS

Ms. Brittany Underwood, founder and CEO of Akola: What support is available for women led small and medium enterprises in Angola, specifically artisan enterprises that contribute to economic development, poverty alleviation, and women empowerment?

We have public policies that facilitate women's access to the market, such as Law 13 (Law on financial institutions) and the COVID relief fund (FACRA COVID relief fund). But there is a need for credit lines to finance women's businesses, because the overwhelming majority of them, despite comprising 53 percent of Angola's population, are in the informal market and are not eligible for credit. The focus is on the creation and formalisation of women's cooperatives, as well as the strengthening of citizenship actions to obtain the identity card, which has been a barrier to their organisation in cooperatives.

The other challenge is to formalise the informal market to provide an environment conducive to generating revenue, both for women, who will have their businesses protected and better conditions in the markets, and for the government in terms of taxes and fees.

Another investment in women at this stage is the construction of infrastructure in the markets (classrooms for literacy, day care centres for children, primarily the zungueira women who walk with their children on their back). The small manufacturing industry for the use of products and waste recovery.

In Angola there are already a number of women from various social strata organised in cooperatives and associations. Nine mills in 3 provinces (Cuanza Norte, Huambo and Lunda Sul) were established to be managed by seven associations.

Ms. Rahma Wright, founder and Managing Director of Shea Yeleen: Is there interest in developing a joint high-level U.S.-Angola effort focused on highlighting women entrepreneurs and women business owners?

Our response is positive. We can create a platform for dialogue to strengthen actions aimed at the economic and social empowerment of women by promoting income-generating activities (productive inclusion), wealth and jobs, in particular:

- Provide technical and methodological support to women in the development of business plans and in business management;
- Technical training in food processing, increasing productive capacity, product quality and the diversification of products prepared by groups of women/cooperatives;
- Training of trainers or facilitators of cooperatives for 'business plan coaching'.

Regarding support in trade between African countries involving American companies, the role of the Investment and Export Promotion Agency is relevant to attracting these companies to Angola, both to invest and to forge trade partnerships with other companies in Angola, not only as a way to expand their markets, but above all as a way to share good practices and transmit knowledge and technology.

V. INVESTMENT OPPORTUNITIES IN ANGOLA

Page 7 of 10

Mr. John Nevergole, Director of the ABD Group: Can you please discuss any specific upcoming government procurement or government supported investment projects that are a priority for Angola and potentially a good fit for U.S. investors?

The priority for the Angolan economy is the development of the private sector, with the role of investment in infrastructure capable of reducing the cost of private investment and increasing total factor productivity being relevant. By the end of 2021, the government intends to structure a set of infrastructure investments in public-private partnerships, with an emphasis on the following projects.

In the field of the environment, I would highlight the:

- Rehabilitation and operation of the waste recovery unit of Mulenvos;
- Construction and operation of the Cabo Ledo and Okavango tourism development complexes;
- Restructuring, equipping and managing agroecological centres in Cabinda, Cuando Cubango and Namibe.

In the field of energy and water, I would highlight the:

- Construction and operation of the Baynes hydroelectric plant;
- Construction and operation of the Soyo II combined cycle power plant;
- Construction and operation of Chicapa II hydroelectric plant.

In the field of public works, I would highlight the:

- Construction of a motorway on the North-South Corridor;
- Installation and operation of a toll system in the border areas of Luau, Luvo, Massabi, Noqui and Santa Clara.

In the field of transport, I would highlight the:

- Construction of CFL rail link to DRC border;
- Construction of CFM, Namibia and Victoria Falls rail link;
- Construction and Operation of Caála, Lombe, Luvo and Soyo logistics platform;
- Construction and operation of a rail link between Angola and Zambia.

VI. TRADE AND REGIONAL INTEGRATION

Ms. Laura Lane, Director for Corporate Affairs, in the Communications and Sustainability Office of UPS: How is Angola working to facilitate regional integration, to support the creation of the African

Page 8 of 10

Continental Free Trade Area, and generally to facilitate the movement of goods within its borders?

After signing and ratifying the SADC Trade Protocol in 2000 and taking into account the increasingly complex levels of interconnectivity of the economies, especially those that are geographically closest to it, Angola in 2019 presented its first proposed tariff offer for trade of goods to SADC-FTA members. We expect this negotiating process will be completed in the coming months.

Our entry into the African Continental Free Trade Area affirms the country's commitment to the fulfilment of 'Agenda 2063: The Africa We Want' and notably with the process of industrialising the continent from the diversification of national productive sectors.

With regard to trade in services, taking into account the complexity of the decision factors especially linked to the number of sectors and subsectors to be included in a list of specific commitments and respective levels of market access, Angola is awaiting a technical assistance programme to strengthen the capacities of the various players in order to ensure a linear understanding of the matter and its impact on our economy.

The various reforms being carried out in the industry and trade sector, the updates to the national customs tariff and particularly the establishment of the National Trade Facilitation Committee, with the notable insertion of the private sector in the decisions linked to these reforms, as well as our active engagement in the negotiations, reflect our level of commitment to the various regional integration processes underway.

We also highlight the coordinated border management process, with the creation of single-stop border posts, aimed at speeding up the trade flows of import, export and transit of goods at the regional level.

The levels of openness of our economy suggest the possibility for foreign companies established in the region to set up a presence in Angola as well, taking into account our geographical situation, which naturally places us in a favourable position for the development of Regional Value Chains (RVC), being a natural logistics platform in the region.

This insertion of Angola into RVCs should be seen from both the perspective of trade, i.e. goods, with the production of components for various industries, mainly linked to agribusiness (in the first phase), and services (transport, energy), taking into account the economic potential of the existing development corridors in Angola, especially the Lobito Corridor, without detracting from the Cunene, Malange and Namibe Corridors.

It should be noted that Angola has signed the Trade and Investment Framework Agreement (TIFA) with the United States of America, which includes various measures to improve market access and the removal of barriers to trade and investment; coordination and advice on the implementation of AGOA (African Growth and Opportunity Act); improve regulations and technical standards; strengthen agricultural and agribusiness trade relations; promote and protect intellectual property rights; coordination and consultation on positions in multilateral trade negotiations, notably in the WTO; improve technical, administrative and legal procedures to facilitate Angola's business climate, among other measures.

The implementation of these measures within the framework of this Agreement will certainly allow American companies operating in Angola to participate more not only in our country's economic

Page 9 of 10



[End]

Statement of Tulinabo S. Mushingi Nominee to be Ambassador of the United States of America to the Republic of Angola and to the Democratic Republic of Sao Tome and Principe Senate Foreign Relations Committee Wednesday, June 9, 2021

Mr. Chairman, Ranking Member, distinguished members of the committee, it is a privilege and an honor to appear before you today as President Biden's nominee to serve as the U.S. Ambassador to the Republic of Angola and to the Democratic Republic of Sao Tome & Principe. I thank the President and the Secretary of State for their confidence in me. I am equally grateful for this distinguished Committee's consideration.

I appear today with the unfailing support of my wife Rebecca, who has also served our country working for 13 years with the U.S. Peace Corps, and our beloved daughter Furaha.

My work across Africa, from Mozambique to Morocco, Ethiopia to Senegal, as well as through assignments in Washington, DC, has prepared me to deliver meaningful results for the American people in the role I have been nominated for. If confirmed, I will work hard to foster stronger ties between the United States and Angola and Sao Tome & Principe.

Bilateral relations between the United States and Angola have markedly improved in recent years. President Lourenço's economic and political reform agenda aligns with U.S. interests and presents a unique opportunity to develop a mutually beneficial partnership with this fast-emerging economy and rising African nation.

Angola plays an influential role in Africa and is looking to diversify its ties away from historic alliances. As such, it has attracted high-level U.S. visits and interaction since 2019, and if confirmed, with your help, I will work to deepen the U.S.- Angola partnership.

Angola has made tangible progress towards transparency and good governance, while initiating the fight against corruption and promoting accountability for human rights violations. Angola still faces many challenges as it addresses a stagnant economy, exacerbated by the impacts of the COVID pandemic. If confirmed, I will continue to press for political and economic reforms, support the fight against corruption, and buttress Angola's development efforts.

As the Government of Angola fosters a better business climate, U.S. companies see tremendous trade and investment opportunities. Recently, U.S. companies have achieved major successes in the energy and IT sectors. If confirmed, I will work with the U.S. interagency team to advocate for U.S. businesses while supporting Angolan efforts to comply with international standards and improve regulatory adherence.

Angola's legacy of land mines continues to impede economic development and environmental conservation. Since 1995, the United States has been the largest donor to demining efforts in Angola, investing more than \$145 million to clear landmines and other dangerous explosive hazards so the people of Angola can advance a wide range of social and economic development efforts safe from buried bombs. The 2018 Defending Economic Livelihoods and Threatened Animals (DELTA) Act helps to combat wildlife trafficking and coordinate with transboundary land and water resource governance authorities. If confirmed, I will reinforce our commitment to help Angola eliminate the threat of landmines and protect its natural resources.

Deep ties bind the United States and Angola: an estimated one-quarter of African-Americans have Angolan roots. The first enslaved Africans to arrive in what is now the United States in 1619 were from what is now Angola. If confirmed, I will look to be honest about this history, while sharing the experience of the United States as we continue to seek improve our nation. I will seek to expand our growing people-to-people ties and promote programs focusing on talented Angolan youth.

Sao Tome and Principe (STP) has a small land footprint but a large and strategically important maritime domain in the Gulf of Guinea shipping lanes. Enhancing the country's ability to monitor its waters and share information on maritime activity and piracy is a key component to improve regional security. STP successfully completed a Millennium Challenge Corporation (MCC) Threshold Program in 2011, and further MCC engagement is a priority for the future. STP also has a long tradition of democracy and peaceful transfers of power. I will focus on these priorities if confirmed.

As the world hopefully emerges from the COVID pandemic, we expect to see a resurgence in the number of Americans coming to Angola. The safety of our staff and U.S. citizens is always paramount.

Finally, American diplomacy works best when American diplomats best exemplify our nation. If confirmed, I will promote an interagency Embassy team that reflects the values of the United States.

Thank you for the opportunity to appear before you today. I look forward to your questions.



Country Profile

apex

GEOGRAPHY

Total land: 1.246.700 Km2

Atlantic coastline: 1650 km

Neighbours: DRCongo, Namibia, Zambia, R.Congo

ECONOMY

GDP: 62.3 billion (2020)

Main Trading Partners: China, India, USA, Portugal, Brazil

and the European Union ...

SOCIETY

Population: 32,097 million

Youth: 66% under the age of 25

Literacy: 71%

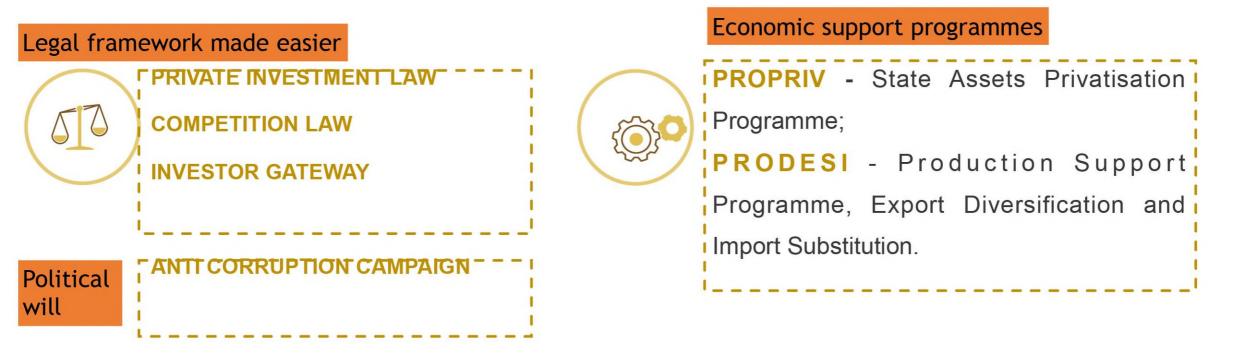
Trade in the Last Decade USD Billion (2010 - 2020)

80



The Pillars of Economic Transformation





The aim is to transform the economy through the diversification of its productive, based on a model of growth led by the private sector.



Ongoing reforms are building new confidence, strengthening institutions and contributing to an improved business environment

Establishing pillars of **good governance**, focusing on anti-corruption and economic diversification



João Lourenço President of Angola United Nations, June 2021

-Application for-Tourism and Work-visas-

- New protocol for 61 countries
- Visa Online application system
- Process is quick and efficient



Investment Law 10/18 establishes competitive conditions for investment

- Possibility of negotiating incentives;
- No minimum value to invest
- Foreign investors with no obligation to partner with local entities



The reforms-involve-digital-transformation-and---promote **e-governance** solutions to reduce
bureaucracy and rationalize resource management.







Investor Gateway

Facilitation mechanism for project implementation;

Digital platform for the processing of investment proposals;

Efficient system for answering questions, and access to AIPEX and Public Administration services.

New Investment Regime

New tactical baseline for negotiating terms, conditions and investment incentives;

Facilities to negotiate benefits for qualitative and structuring investments.

Privileged Spaces

Free zones for the diversification of the industry, destined to the production of goods for export

Industrial poles, ZEEs, free ports and the possibility of creating free companies and export processing zones.

Private Investment Law Opportunities

Tax advantages; Possibility of investing in any sector of activity without a local partnership;

No minimum investment value obligation.

The role of AIPEX ...



Objectives

- Improve the business environment
- Promote competition and productivity
- Support national production, industrialisation, inclusive development and import substitution
- Promote export diversification and rising trade



Core Business

- Promote and Attract Private Investment
- Register and monitor the implementation of private investment proposals
- Coordenate instituional support for investors
- Promote the increase and diversification of the country's exports of goods and services
- Implement policies and programmes for import substitution and growth of export
- Ensure the development of the competitiveness of national companies, a well their internationalisation into foreign markets



Legal Framework for Private Investment

















- THERE ARE NO MINIMUM VALUE REQUIREMENTS FOR PRIVATE INVESTMENT;
- NO REQUIREMENT FOR PARTNERSHIPS BETWEEN FOREIGN INVESTORS AND ANGOLAN ENTREPRENEURS;



Priority Sectors



Agriculture, Agro-industry and food



Education, technical and vocational training, higher education, scientific research / innovation



Specialized Health Units and Medical Services



Basic sanitation, Collection and treatment of solid waste



Construction, public works, telecommunications and infrastructures, airport and railway



Forestry, reforestation, and industrial transformation of forest resources



Textile, Clothing and Footwear



Production and Distribution of electricity



Hospitality, Tourism and Leisure



Investment regimes

PRE-DECLARATION REGIME

- Investment proposals framed within the non-priority sectors are included in this scheme;
- Tax benefits and incentives are granted automatically.

SPECIAL REGIME

- Investment proposals framed within the priority sectors are included in this scheme;
- Incentives and benefits are granted automatically and graded according to the Development Zone where the project will be implemented.

CONTRACTUAL REGIME

- Projects with structural impact in the economic development of the country
- Allowing negotiation, between the Investor and the Angolan Government, for incentives and fiscal benefits.



Investor's Rights



Transfers abroad of the corresponding value:

- Of the dividends resulting from the profits made by the investor;
- Of the liquidation amount of the investment;
- Amount corresponds to compensation payable to them;
- Of royalties or other income derived from the remuneration of indirect investments associated with technology transfer.

Jurisdictional Guarantees

In the event of a dispute, the investor may ...



Access Angolan courts, which recognise equal rights for all investors;



Use alternative means of dispute resolution in relation to private investment – i.e. negotiation, conciliation and mediation



FISCAL BENEFITS PRE-DECLARATION REGIME 1 (2)

Tax Benefits	SISA Tax (2%)	Industrial Tax (General, Agriculture, Provisory) (25%; 15%, 2%)	Application of Capital Tax (10%)	Stamp Tax (1%)
Period of validity	N/A	2 years	2 years	2 years
Percentage Tax Reduction	50%	20%	25%	50%

Sisa: This tax is levied on transfers of property or any right for property, real estate, capital contributions of companies, acquisition of 75% or more in limited companies, in a collective name or in limited partnership.

Industrial: It is levied on the profits obtained in the exercise of any activity of a commercial or industrial nature, even if accidental.

Application of Capital: It is levied on income from the simple application of capital

Stamp: It concerns all acts, contracts, documents, titles, books, papers and operations.



More Incentives and Benefits for the countryside

ZONE A

Luanda and Huila municipalities, Benguela and Lobito

ZONE B

Bengo, Bié, Kwanza Norte, Kwanza Sul, Huambo, Namibe and the remaining municipalities of Benguela and Huila

ZONE C

Cuando-Cubango, Cunene, Lunda-Norte, Lunda-Sul, Malange, Moxico, Uige e Zaire

ZONE D

Cabinda





FISCAL BENEFITS PRE-DECLARATION REGIME 2 (2)

Development Zones	DESCRIPTION	SISA TAX (2%)	INDUSTRIAL TAX (Overall, Agriculture, Provisory) (25%; 10%; 2%)	APLICATION CAPITAL TAX (10%)	URBAN PROPERTY TAX (0,1% until Kzs 5 millions, from Kzs 5 millions to Kzs 6 millions 0,5% on surplus Kz5milhoes)
	Percentage reduction of tax	50%	20%	25%	N/A
ZONE A	Period of validity	2 years	2 years	2 years	N/A
ZONE B	Percentage reduction of tax	75%	60%	60%	50%
	Period of validity	N/A	4 years	4 years	4 years
ZONE C	Percentage reduction of tax	85%	80%	80%	75%
	Period of validity	N/A	8 years	8 years	8 years
	Percentage reduction of tax	92,50%	90%	90%	82,50%
ZONE D	Period of validity	N/A	8 years	8 years	8 years



Investment opportunities by sector





Agriculture and Fisheries

8

Opportunities:

- Production of improved seeds and seedlings;
- Production of fertilizers and pesticides;
- Meat production and processing;
- Cereal and legume production;
- Animal feed production;
- Construction of storage and refrigeration infrastructures;
- Production and assembly of agricultural equipment (irrigation systems, implements, sowing machines, etc.);
- Catching and processing of fish;
- Aquaculture;
- Shipbuilding and ship repair.

Source: BIOCOM



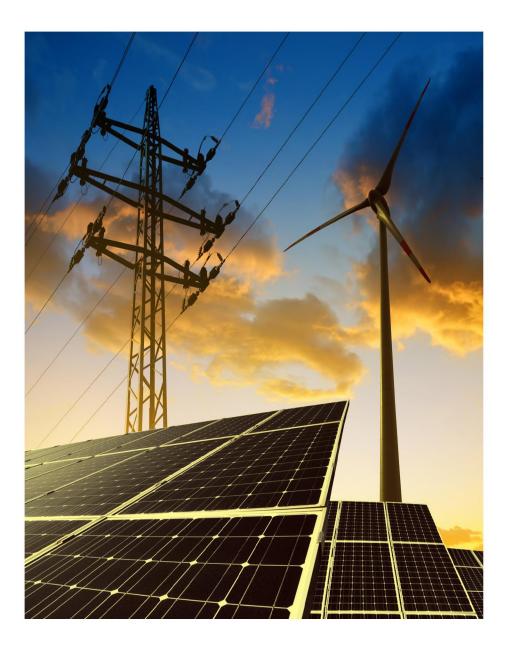


Transport and Road Infrastructures

Opportunities:

- Rehabilitation and expansion of the main road and railway networks;
- Construction of the new bridge over the Kwanza River;
- Construction and operation of tolls in border areas and main roads;
- Construction of the new deep-water port;
- Construction and operation of logistics platforms;
- Improvement of airport infrastructures;
- Construction of central bus terminal and intermodal hub.

d by NSD/FARA Registration Unit 09/07/2021 11:12:20 AM



Energy





Sector indicators:

Total installed capacity: 5.630 MW

Thermal power: 2.223 MW

Hydroelectric power: 3.342 MW

Hybrid generation: 35 MW

Opportunities:

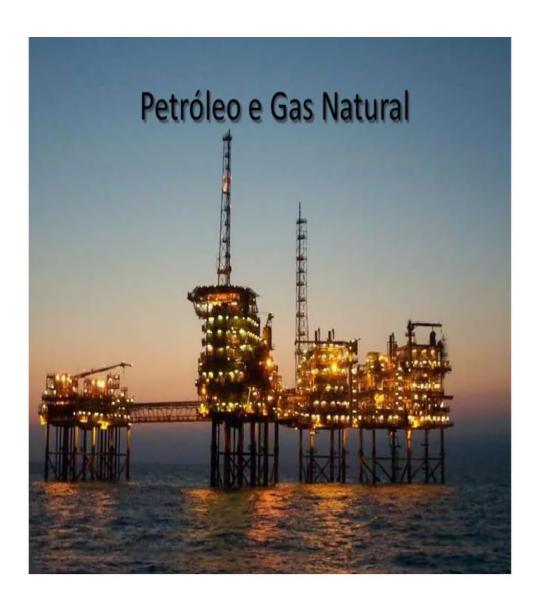
Solar, wind and biomass energy;



Establishment of partnerships for dam construction;

Construction of mini-hydroelectric plants.





Oil and Gas

Opportunities:

- Participation in bids for oil blocks;
- Sale of Sonangol stakes in blocks in the exploration, development and production phase (tender underway);
- Tender for the construction of the Lobito
 Refinery in partnership with Sonangol
 (refining capacity of around 200,000 barrels/
 day);
- Construction of Gas Stations.





Mineral Resources



Opportunities:

- Exploration and transformation of ornamental rocks;
- Exploration and transformation of limestone and gypsum;
- Exploration of phosphate;
- Exploration of rare earths;
- Exploration of iron, copper, etc;
- Cement production.



PRIVATIZATIONS



195 assets for privatization



A vast privatization programme is under way, covering a total of 195 state-owned or state-owned enterprises.

The programme is part of the ongoing reform process in the country, and aims to reduce the active participation of the state in the production of goods and services, leaving it to free private initiative.

Sectors

Agriculture;

Industry;

Tourism;

Finance;

Telecommunications;

Mineral Resources and Petroleum.

anex

Telecommunication Sector



Assets scheduled for privatization

Name	Description	Indicators
tvcabo	 Triple play services NET+TV+VOICE corporate sector and residences +15 years in the market 	2020Sales: 21,000m AOAEBITDA: 5,000m AOA
MULTITEL Ligações de Confiança	 Telecommunication and web service to corporate sector +22 years in the market 	2020Sales: 2,446m AOAEBITDA: 110m AOA
netione	 B2B and B2C segment Main services: Internet (WiMAX, LTE and VSAT) + VOIP +12 years in the market 	2019Sales: 1,135,000m AOAEBITDA: 842m AOA
angola cables	 12 years of experience in the sector B2B Segment Offer dedicated to the supply of international voice and data circuits, using underwater fiber optic cables 	2020Assets: 110,713m AOASales: 17,588m AOAEBITDA: 5,759m AOA

Litst is not exhaustive



Financial Sector



Assets scheduled for privatization

Name

SEGUEDOS DE AMEDIA A ESTRELA QUE PROTEGE

Description

- Leading insurance provider
- Diverse product offering
- 32 agencies across the country
- +43 years market experience



- Established in 1991
- Diverse product offering
- Three-phase privatization process,
 being guided by Standard Bank



- Finances micro, small and medium-size enterprises (SMMEs)
- National network of 31 branches
- +10 years market experience



- Personal and corporate banking
- 131 branches country-wide
- Investment in Cabo Verde, Portugal
- +25 years market experience

Indicators

2019

- Return on assets: 16,56%
- Equity: AOA 3,066,693 M
- Workforce: 634

2019

- Share capital of AOA 67 B
- Registered shares: 100,000
- Workforce: 1127

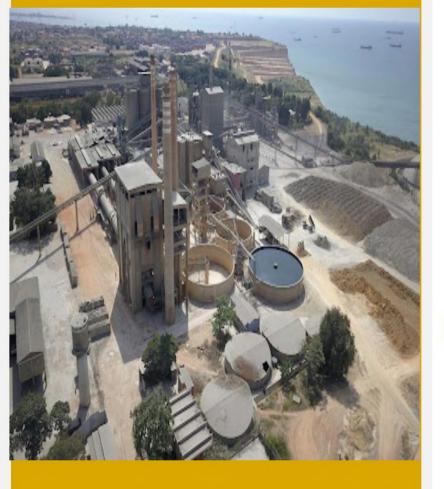
2020

- Net Income: 12,493m AOA
- Equity: 78,429m AOA
- Workforce: 551

2020

- Equity: 298 B AOA
- Net income: 118 B AOA
- Workforce: +2,015

Industry Sector





Assets scheduled for privatization

Name	Description	Indicators
CIMANGOLA O FUTURO FIRME	 2 manufacturing units in Luanda Annual production capacity per plant: 1 million tons of Clinker Sale of: clinker, cements and other aggregates +60 years of experience 	N/D
5 Sonangol	 Wide portfolio of holdings and assets in multiple economic sectors International partnerships on all continents International partnerships on all continents Main asset of Angola's economy +45 years of experience 	N/D

Tourism Sector





Assets scheduled for privatization



Name

HCTA ***** MAIS DO QUE UM HOTEL, UM ESTILO DE VIDA!

Description

- Five star hotel unit
- Located in Luanda Talatona

N/D

N/D

Indicators



- 3-star hotel, 5 km from the city centre
- Accommodation capacity: 132 rooms
- Great potential for exploitation, given the socio-economic growth of the province - Non-operational



- 3-star hotel, 8 km from the city centre
- Accommodation capacity: 126 rooms, with 22% occupancy rate
- Great potential for exploitation, given the socio-economic growth of the province - Operational since 2013

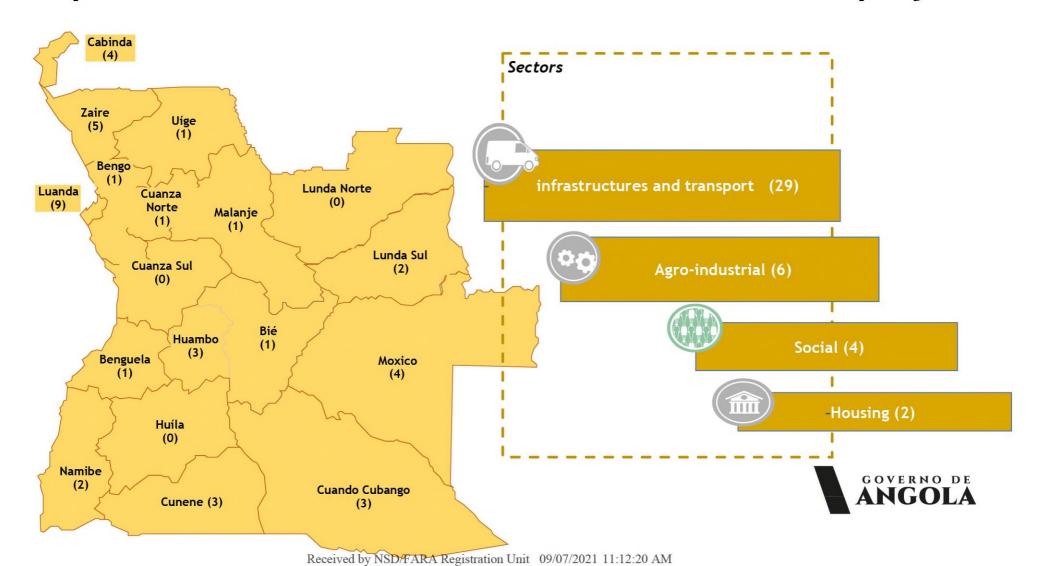
N/D



Public-Private Partnerships



Operational Plan for PPPs foresees a total of 41 projects





Culture, Tourism and Environment Sector

Projects for development in the PPP modality

Name	Description	Model
Construction and Operation of the Mulenvos Solid Waste	 Management and Operation of Garbage Dumps Recycling Located in Luanda Province 	DBFOM (Design, Construction, Financing, Operation and Maintenance)

Construction
and Operation
of the
Okavango
Tourism
Development
Hub Unit

Recovery Unit

Construction of administrative hub associated with infrastructure management and private investment in the Okavango Tourism Development Hub

 Located in Angola's Central Highlands DBFOM (Design, Construction, Financing, Operation and Maintenanceo)



Energy and Water Sector 1 (2)

Projects for development in the PPP modality

Name Description Model Construction and • Construction of the Baynes Operation of the BOT (Construction, Hydroelectric Power Plant, a Bi-Baynes Operation and Transfer) National Angola-Namibia project Hydroelectric on the Cunene River with an Plant, installed capacity of 600 MW International Section of the Located in Cunene Province Kunene River

Management of Water Supply and Sanitation Services in Cabinda

- Operation and maintenance of the water supply and sanitation systems of the entire Cabinda Province, through the conclusion of a contract
 - For a period to be defined
- Located in Cabinda Province
- O&M (Operation and Maintenance)



Energy and Water Sector (2)

Projects for development in the PPP modality

north of the town of Saurimo

Name	Description	Model
Construction and Operation of the Soyo II Combined Cycle Power Plant	Construction of the Power Plant with 6 Turbines in 2 equal blocks of 3 Turbines each, being 2 Gas Turbines and 1 Steam Turbine. The total expected power is around 750MW	BOT (Construction, Operation and Transfer)
	•	
Construction and operation of the Chicapa II hydroelectric	Construction of the Chicapa II hydroelectric power station with an installed capacity of 31.6 MW in L.Sul province, on the Chicapa river, 20 km	BOT (Construction, Operation and Transfer)

Among others

power plant



Transports and Public Works 1 (2)

Projects for development in the PPP modality

Name	Description	Model
Completion of Construction and Management of Saurimo Centrality in Lunda Sul	p,,,p,	BOT (Construction, Operation and Transfer)
Reactivation of the Benguela	Renovation, Maintenance and Operation of the Bituminous	ROT (Rehabilitate, Operato

ROT (Rehabilitate, Operate and Transfer)



Projects for development in the PPP modality

Description

Transports and Public Works 2 (2)

Name Installation and Operation of a **Toll Collection** System in the border areas of Noqui, lema, Luvo, Massabi, and Santa Clara.

Physical Implementation (Earthworks, Paving and Building), Installation, Operation and Maintenance of Tolling Systems

DBFOM (Design, Construction, Financing, Operation and Maintenance)

Model

Construction of ' rail link from CFL to border with DRC to connect Katanga - North Corridor

The aim of this project is to extend the CFL (Luanda Railroad) to the border area of the DRC, as it is a landlocked country without Operation and access to the sea, serving the Katanga region rich in mineral resources

DBFOM (Design, Construction, Financing, Maintenance)





Objectives of Public-Private Partnerships in Angola.....

- > Improvement of infrastructures;
- ➤ Improving the efficiency and quality of basic services for the population.
- > Promote economic development led by the private sector.
- To reduce the State's active participation in the market, positioning itself more and more as the economy's regulating agent, ensuring an active role for the private sector in the production of goods and services typical of a modern market economy.

Received by NSD/FARA Registration Unit 09/07/2021 11:12:20 AM

Final Remarks





Angola's geostrategic location can be advantageous for investments in the region, making our country a gateway to neighboring countries in terms of trade, travel and tourism.



Angola has enormous agricultural, mining, tourism and fishing potential, but with a need for investment in infrastructure, technology and know-how. With the structural changes and reforms underway, the country is open and increasingly better prepared for the entry of structural investment to accelerate economic growth.



USA is a priority country for Angola, due to its level of industrial, technological and service development and existing ties, and is therefore a strategic partner. The development of good partnerships between American and Angolan companies, especially in sectors that are aligned with Angola's development strategies, is an asset for both countries.



BE THE NEXT TO INVEST IN ANGOLA

WE ARE HERE TO HELP YOU...

- √ To access the Angolan market
- √ To facilitate the process of implementing and offer support to investment projects
- √ To assure compliance with the deadlines for the execution of projects within the program schedules
- √ To offer a range of services to investors

... OR TRY THE ONLINE PLATFORM

- Present the investment proposal wherever you are, 24 hours a day, 7 days a week
- Fill in the application in stages and submit only when complete
- Correct/update the application without visiting the offices of AIPEX
- Track the process of the proposal's registration online
- Request email updates on the status of the application
- Find out about additional AIPEX services





A selection of companies that have chosen Angola to invest

Foreign investors are strategic partners in Angola's development

















































































Cataloging the "New Angola"

This document provides a snapshot of the progress made on several fronts in Angola under the leadership of João Lourenço. The overview focuses on the (1) legal reforms in Angola; (2) societal reforms in the country; (3) financing developments involving Angola; (4) notable recent investments in the country; (5) progress made on President Lourenço's anti-corruption efforts; and (6) the growing relationship between Angola and the United States.

I. Legal Reforms in Angola

- Updated Penal Code (February 2021): In February 2021, Angola officially updated its penal code
 for the first time since its independence from Portugal. Laws 38/20 and 39/20 replace the
 Portuguese Penal Code of 1886 and the Portuguese Criminal Procedure Code of 1929. The
 changes were originally approved by the National Assembly in January 2019, were signed into law
 in November 2020, and came into effect February 2021.¹
- Law on Recovery of Enterprises and Insolvency (January 2021): The National Assembly has approved a package of legislative reforms to improve Angola's business environment, including for the first time, the creation of laws for business restructuring and insolvency.²
- Reforms to Tax System (December 2020): Angola's General State Budget for 2021 (approved via Law No 42/40) included changes to Angola's tax system, which should lead to more streams of revenue for the government. These changes include modifications to the personal income tax and value-added tax regimes.³
- SOE Law (August 2020): The National Assembly approved a new law on State Owned Enterprises in August 2020. Per the IMF, the law will "materially improve[] SOEs' internal controls, governance structure, professionalism, internal and external audit functions, and disclosure practices, in line with international good practices. The authorities plan to reinforce the SOE Law by incorporating good international practices on segregation of power and compliance by submitting amendments to the National Assembly by end-June 2021."⁴

¹ "New Penal Code Makes History in João Lourenço's Era," ANGOP (November 11, 2020)

² "National Assembly Approve Insolvency Law and Business Recovery," Ver Angola (January 19, 2021)

³ "Angola – General State Budget for 2021," PWC (January 5, 2021). Other notable tax changes in Angola: Law No 28/20 amended the Employment Income Tax Code; Law No 26/20 amended the Corporate Income Tax Code; Law No 21/20 amended the General Tax Code; Law No 20/20 approved the Property Tax Code; Presidential Decree No 232/19 approved the new Legal Framework on the Electronic Processing and Recording of Tax Procedures; Presidential Legislative Decree No 10/19 approved a new Customs Tariff.

⁴ "Angola: Fourth Review Under the Extended Arrangement Under the Extended Fund Facility and Requests for Modifications of Performance Criteria and Waivers for Performance Criteria Applicability and Nonobservance-Press Release; Staff Report; and Statement by the Executive Director for Angola," IMF (December 23, 2020) (p. 11)

- Fiscal Responsibility Law (August 2020): A new Fiscal Responsibility Law was adopted in August 2020 in conjunction with Angola's work with the IMF. The law provides the government with a debt target and an operational target on the non-oil primary fiscal deficit.5
- Reformed AML/CTF Laws (January 2020): Angola enacted Law No 5/20 on January 27, 2020, which reformed the country's Anti-Money Laundering and Counter-Terrorist Finance laws. In January 2021, the IMF said, "The authorities are continuing to effectively implement the recently enacted AML/CFT law. Continued efforts to enhance the effectiveness of the AML/CFT framework are important to address pressures on correspondent banking relationships, support ongoing corruption and money laundering investigations, and prepare for Angola's upcoming AML/CFT assessment."6
- PROPRIV (August 2019): Angola enacted its privatization plan ("PROPRIV") for 193 state-owned enterprises via public tender, public auction, and initial public offerings. The PROPRIV program includes Angola's state oil company, Sonangol, which is divesting non-core businesses and reducing its stakes in oil blocks. The program aims to: promote the country's growth, by reducing the state's participation in the economy, promoting private investment that enhances job creation and increasing tax collection, as well as promoting greater availability of products and services to all citizens, among other benefits for each Angolan. 7
- Privatization Law (May 2019): Angola's new Privatization Law (Law No 10/19) was enacted May 14, 2019, and is the heart of the country's privatization effort.
- Law on Public-Private Partnerships (May 2019): Angola approved the Law on Public-Private Partnerships (Law No 11/19) in May 2019 and its implementing regulations were enacted by Presidential Decree No 316/19 in October 2019. These laws outline the procedures for the approval, launch, and monitoring of PPPs in the country.
- Private Investment Law (June 2018): Angola enacted Law No 10/18, which amended the country's previous laws on private investment. The law aims to promote the growth and specialization of production, both at the level of domestic production and exports, through stimulating domestic

6 ld at p. 11

⁵ "Angola: Fourth Review Under the Extended Arrangement Under the Extended Fund Facility and Requests for Modifications of Performance Criteria and Waivers for Performance Criteria Applicability and Nonobservance-Press Release; Staff Report; and Statement by the Executive Director for Angola," IMF (December 23, 2020) (p. 58)

⁷ "What is PROPRIV?" PROPRIV Programa De Privatizacoes (From the IMF Fourth Review: "By end-December 2020, a total of 34 SOEs had been privatized through public tenders (an update of the 30 cited in the staff report), with 17 more expected to be privatized by end Q1:2021. Privatization receipts will be used primarily for infrastructure financing, strengthening viable SOEs that will be privatized, and repayments of central government debt.")

- and foreign private investment. Amendments to the Private Investment Law were submitted to the National Assembly in 2020 to streamline Foreign Direct Investment.⁸
- Competition Law (May 2018): Angola enacted a new Competition Law (Law No 5/18), which
 encourages the creation of a more favorable environment that promotes and defends free
 enterprise, competitiveness, and healthy competition in order to safeguard consumer's rights.
- Pending Legal Reforms: Angola will soon consider changes to laws effecting the National Bank of Angola, emergency liquidity assistance, and financial institutions generally.

II. Societal Reforms in Angola

- Constitutional Reforms (March 2021): In March 2021, in remarks to his council of ministers, President Lourenço announced a series of good governance reforms to Angola's Constitution. Once adopted, these changes would include: fixing the date for upcoming elections, establishing term limits for the presidency, providing the National Assembly with new checks over executive power, and ensuring that the National Bank of Angola has complete independence.
- Decriminalization of Homosexuality (February 2021): As part of the revamping of Angola's penal code, a colonial-era "vices against nature" provision was removed from Angola's law that had been interpreted by some as a ban on homosexuality. The Government also now officially prohibits discrimination on the basis of sexual orientation. The changes were originally approved by the National Assembly in January 2019, were signed into law in November 2020, and came into effect February 2021.9 Testifying before the House Foreign Affairs Committee in June 2021, Scott Busby, Acting Principal Deputy Assistant Secretary of State for the Bureau of Democracy, Human Rights, and Labor, said: "there was a change of government several years in Angola and the parliament reviewed its laws and they decided that the law on the books criminalizing LGBTQ status should be done away with, and they summarily did so. And there are other governments that have done that sort of thing. So, we applaud governments that have taken that type of action."

III. Notable Financing Involving Angola

World Bank (March 2021): In March 2021, the World Bank Board of Executive Directors approved
 a \$700 million Development Policy Operation (DPO) in support of Angola's efforts to bolster

⁸ "Foreign Direct Investment Regimes 2021: Angola," International Comparative Legal Guides (2021)

⁹ "Angola Decriminalizes Same-Sex Conduct," Human Rights Watch (January 23, 2019)

¹⁰ "Advancing and Protecting LGBTQI+ Rights Abroad," House Foreign Affairs Committee (June 24, 2021)

financial and social inclusion and strengthen the country's macro-financial and institutional environment for increased private-sector led growth.¹¹

- Afreximbank (February 2021): In February 2021, African Export and Import Bank recently announced plans to invest over \$1 billion in water and electric projects in Angola. 12
- International Monetary Fund (December 2018): In December 2018, the IMF approved a three-year US\$3.7 billion credit facility for technical and financial assistance. In January 2021, following a mandated review, the IMF approved releasing the fourth tranche of funds to Angola under this program. The fourth tranche was for around US\$488 million, which brought total disbursements to about US\$3 billion.¹³
 - In July 2021, the State Department's 2021 Investment Climate Statement reaffirmed that Angola is committed to implementing its reform program with the IMF.¹⁴
- World Bank (July 2019): In July 2019, the World Bank approved a US\$1.3 billion loan to support
 the government in its efforts to promote inclusive growth, improve water services and strengthen
 the national social protection system.¹⁵
- AfDB Loan (October 2019): In October 2019, the AfDB approved a US\$165 million loan to help finance Angola's three-year economic diversification program.¹⁶
- Restructuring Chinese Debt (2020): Throughout 2020, Angola worked with the China Eximbank, the China Development Bank, and the Industrial and Commercial Bank of China to restructure

¹¹ "The World Bank Provides \$700 million to Support Angola's Sustainable and Inclusive Growth Agenda," World Bank (March 16, 2021).

^{12 &}quot;AfreximBank To Invest \$1.3 Billion In Angolan Water And Energy," Africa Oil and Power (February 11, 2021)

¹³ "IMF Executive Board Completes Fourth Review of the Extended Fund Facility Arrangement for Angola, and Approves US\$ 487.5 Million Disbursement," International Monetary Fund African Department (January 2019) (In response to the COVID-19 pandemic and the drop in oil prices, the IMF noted that Angolan authorities "have maintained a robust policy response in the face of these challenges and remain resolutely committed to the [IMF] program. The authorities achieved a prudent fiscal adjustment in 2020 that included non-oil revenue gains and restraint in non-essential expenditure, while preserving essential spending on health and social safety nets. The passage of the 2021 budget in December consolidates these gains. The authorities have also allowed the exchange rate to act as a shock absorber and have begun to implement a gradual shift towards monetary tightening to address rising price pressures.")

¹⁴ "2021 Investment Climate Statements: Angola," Department of State (July 21 2021)

¹⁵ "Angola: New World Bank Projects will Support Inclusive Growth, Water Services, and Social Protection," The World Bank (July 16, 2019) (Also of note: in November 2019, the World Bank Group's International Finance Corporation opened an office in Luanda to expand its portfolio of loans to the Angolan private sector.)

¹⁶ "Angola: African Development Bank approves \$165 million for economic diversification," African Development Bank Group (October 29, 2019)

some of its debt. The relief from the China Eximbank falls under the G20 Debt Service Suspension Initiative. The relief from the China Development Bank and the Industrial and Commercial Bank of China will amount to at least \$6.2 billion and includes a three-year deferral of principal payments.¹⁷

IV. Recent Investments in Angola

- Soyo Refinery (March 2021): In March 2021, the Government of Angola announced that a US consortium of companies led by Quanten LLC has been awarded the \$3.5 billion public tender to build the Soyo refinery in northeastern Angola. The project is expected to create or directly support 400 US jobs and 2,000 Angolan jobs. US Companies involved in the project include Quanten LLC (San Jose, CA), Cisco (San Jose, CA), KBR (Houston, TX), TGT Inc (Houston, TX), and American Exploration (Houston, TX).
- Sun Africa (March 2021): In March 2021, Sun Africa broke ground on the largest solar project in sub-Saharan Africa to date. Sun Africa's initiative for Angola features a 370 MW solar power portfolio consisting of seven individual projects, including the Biopio Project (188 MW). The \$650 million project is financed by the Swedish Export Credit Corporation (Sweden), K-Sure (South Korea), and DBSA (South Africa). The portfolio, according to Sun Africa, includes US equipment and services valued at approximately \$150 million from NEXTracker (Fremont, CA) and Sun Africa (Miami, FL). Speaking at the Chesapeake Bay Foundation in April 2021, Secretary of State Tony Blinken described the project as "good for the Angolan people, good for climate, and good for American jobs and business."
- Africell (February 2021): In February 2021, Africell secured a deal to become the fourth telecom provider in the country. The deal is supported by a \$100 million loan from the US Development Finance Corporation. The company plans to invest "several hundred million dollars" in Angola in an effort that aims to grow mobile payments and micro-finance offerings and upgrade Angola's 2G, 3G, and 4G networks. The project is expected to create around 6,500 jobs over the next five years.²⁰
- Port of Luanda (January 2021): In January 2021, Dubai Ports World agreed to a \$1 billion agreement to manage the Port of Luanda until 2040. The deal was made possible in part to the framework of the new Private Investment Law.²¹

¹⁷ "Global Relief Dashboard: Angola," China Africa Research Initiative (2020)

¹⁸ "João Baptista Borges: 'Solar energy will benefit 1.2 million families,'" Diario de Noticias (March 11, 2021)

¹⁹ "<u>Tackling the Crisis and Seizing the Opportunity: America's Global Climate Leadership</u>," Secretary of State Tony Blinken remarks at Chesapeake Bay Foundation (April 19, 2021)

²⁰ "Mobile operator Africell secures Angolan telco licence," Reuters (February 3, 2021)

²¹ "DP World's \$1 Billion Agreement to Operate the Port of Luanda," Global Legal Chronicle (February 12, 2021)

V. Fighting Corruption in Angola

- US\$5 Billion Recovered (December 2019): Justice Minister Francisco Queiroz announced in December 2019 that President Lourenço's anti-corruption efforts have resulted in the country recovering more than \$5 billion that had been stolen from Angola's coffers.²²
- Notable cases: Under the leadership of President Lourenço, Angola has pursued dozens of cases of corruption using Angola's judicial system. The State Department has noticed and encouraged this progress. In March 2021, the State Department's annual report on human rights noted that the Angolan government "took significant steps [over the past year] to prosecute or punish officials who committed abuses. It also dismissed and prosecuted cabinet ministers, provincial governors, senior military officers, and other officers for corruption and financial crimes."²³ In July 2021, the State Department's Investment Climate Statement emphasized the positive effect on investment, saying the government's commitment to fighting corruption "provided investors a sense of security."²⁴ Notable cases include:
 - General Manuel Hélder Vieira Dias Jr ("Kopelipa") and General Leopoldino Fragoso do Nascimento ("Dino"): "[Kopelipa and Dino] stand accused of embezzlement, money laudering, and fraud. In a case related to a \$2.5 billion line of credit opened by Angola's Industrial and Commercial Bank to the China International Fund (CIF), both Generals...are said to have diverted large sums of money for their own benefit."²⁵
 - o Isabel dos Santos, former Chairwoman of Sonagal: "Isabel dos Santos, Africa's richest woman and the daughter of Angola's former president, is set to be charged with committing crimes to enrich herself, after an investigation into embezzlement of millions of dollars from a state oil company she once headed, Angolan officials said. Angola's attorney general, Hélder Pitta Grós, said on late Wednesday that Ms. dos Santos would be charged with 'money laundering, influence peddling, harmful management' and 'forgery of documents, among other economic crimes" committed when she ran the oil company."²⁶
 - In July 2021, the Netherlands Arbitration Institute, part of the International Court of Arbitration, ruled that Isabel dos Santos must return \$500 million worth of shares in a Portuguese energy firm to Sonangol.²⁷

²² "Angola retrieves more than \$5 bln in stolen assets amid crackdown on graft," Reuters (December 17, 2019).

²³ "2020 Country Reports on Human Rights Practices: Angola," Department of State (March 30, 2021)

²⁴ "2021 Investment Climate Statements: Angola," Department of State (July 21 2021)

²⁵ "Angola: Top Former Generals Heard Over Corruption Case," Africanews.com (October 14, 2020).

²⁶ "Africa's Richest Woman Set to Face Charges in Angola Over Embezzlement," New York Times (January 23, 2020)

²⁷ "<u>Isabel dos Santos ordered to return \$500 million in energy shares to Angola</u>," France 24 (July 30, 2021)

- Jose Filomeno de Sousa dos Santos, former Chairman of Angola's sovereign wealth fund Fundo Soberano de Angola: "Former head of Angola's \$5 billion sovereign wealth fund Jose Filomeno de Sousa dos Santos - nicknamed 'Zenu' - along with three other defendants including the former governor of the country's central bank, are accused of transferring \$500 million from the bank to a Credit Suisse account in London. The charges cite 'money laundering, fraud and influence peddling' linked to the funds, which ANGOP said were supposed to be part of a \$30 billion strategic investment fund."²⁸
- O Augusto da Silva Tomas, former Minister of Transportation: "Angola's Supreme Court sentenced a former government minister to 14 years in prison for corruption, marking the first conviction for graft of a senior official under President Joao Lourenço. Former Transport Minister Augusto da Silva Tomas was found guilty of embezzlement, misappropriation of public funds, abuse of power and violating budgeting standards, Judge Joel Leonardo said on Thursday. Most charges were connected to fraud at the National Council of Shippers, a state regulator that oversees international shipping and freight to the country."
- Transparency International Rankings: Angola's improved anti-corruption efforts are reflected in it improving 25 places since President Lourenço took office in the rankings provided in Transparency International Corruption Perceptions Index.³⁰

VI. The US-Angola Relationship

- PAC-DBIA Roundtable (December 2020): In December 2020, the President's Advisory Council on Doing Business in Africa ("PAC-DBIA") hosted President Lourenço for a virtual forum. President Lourenço answered questions for over an hour from PAC-DBIA's members, which consists of US business leaders.³¹
- Secretary Pompeo Travels to Angola (February 2020): Former Secretary of State Mike Pompeo traveled to Angola in February 2020 as part of his first trip to Africa. During his trip, Pompeo met with President Lourenço and Foreign Minister Manuel Augosto, as well as several women business owners in the country.³²

²⁸ "Angolan ex-president's son on trial in rare corruption case," Reuters (December 10, 2019)

²⁹ "Angola Jails Most Senior Official Yet After Corruption Trial," Bloomberg (August 15, 2019)

³⁰ "Corruption Perceptions Index," Transparency International (January 28, 2021)

³¹ "President's Advisory Council on DBIA, Roundtable with President of Angola João Lourenço," US Department of Commerce (December 28, 2020)

^{32 &}quot;Pompeo Backs Anticorruption Steps by Angola," Wall Street Journal (February 17, 2020)

- Security and Public Order Memorandum of Understanding (July 2019): In July 2019, the United States and Angola signed a Memorandum of Understanding on Security and Public Order that has facilitated law enforcement cooperation, opened new avenues for training, and accelerated information sharing.³³
- AML Agreement with US Treasury Department (April 2019): In April 2019, the Angolan Finance Ministry and the US Treasury Department signed a technical assistance agreement on the fight against money laundering and terrorist financing in the country. The agreement provides for the opening of an Office of Technical Assistance in Luanda.³⁴
- US Export-Import Bank Memorandum of Understanding (April 2019): In April 2019, Angola's Ministry of Finance signed a Memorandum of Understanding with the Export-Import Bank of the United States to explore guarantees of up to \$4 billion to support US exports to Angola.³⁵
- Deputy Secretary of State John Sullivan Travels to Angola (March 2019): In March 2019, former Deputy Secretary of State John Sullivan visited Angola and met with President Lourenço, Foreign Minister Manuel Augusto, as well as other members of the Angolan government and civil society. He also convened the first meeting of the US-Angola Strategic Dialogue since 2015, which focused on strengthening US and Angolan collaboration on global and regional issues, security and law enforcement cooperation, trade and investment, and the advancement of democracy, health, human rights, and development, particularly in the Okavango region.³⁶

³³ "Memorandum of Understanding Signing Ceremony between the US Government and the Government of Angola," US Embassy in Luanda (July 1, 2019)

³⁴ "The United States and Angola: Deepening an Important Strategic Partnership," US Embassy in Luanda (February 18, 2020)

^{35 &}quot;EXIM Signs Memorandum of Understanding with Angola's Ministry of Finance," US EXIM Bank (April 11, 2019)

³⁶ "The US Deputy Secretary of State John J. Sullivan has arrived in Angola," US Embassy in Luanda (March 17, 2019)